

Minutes
Human Services Commission
Thursday, September 25, 2003
5:00 P.M.
Via Linda Senior Center
10440 E. Via Linda
Scottsdale, AZ 85258

Present: Human Services Vice-Chair Bachmann, Commissioners Bilsens, Bitenc, Reid and Resnick and Housing Board members Chairwoman Barbara Williams, Vice-Chair Bob Southworth and Member Joe Prinski

Staff Present: Connie James, Mark Bethel, Jan Cameron, Molly Edwards-Community and Neighborhood Resources, Phil Hershkowitz, Diane Kallal and Paul Ludwick

CALL TO ORDER

Vice-chair Bachmann called the meeting to order at 5:05 pm.

APPROVAL OF MINUTES FROM THE SEPTEMBER 11, 2003 MEETING

Commissioner Resnick moved for approval of the September 11, 2003 meeting minutes; Commissioner Reid seconded and the motion carried unanimously.

REVIEW OF UPCOMING FUNDING PROCESS AND GRANT APPLICATIONS

Mark Bethel, Community Assistance Manager, began by asking Commissioners and Board Members to introduce themselves. Connie James, Human Services Director, added after introductions that it is important and exciting that the commission and board can come together, as they both share similar interests.

Mr. Bethel then provided a brief overview of last year's funding allocation and process as well as the upcoming CDBG/HOME/General Fund/Scottsdale Cares/Endowment funding allocation process and funding priorities. Diane Kallal, Senior Grants Program Specialist, reviewed the grant applications, process and calendar for the upcoming funding cycle.

Barbara Williams, Housing Board Chair, asked what is the mission of The Advocates for the Disabled. Mr. Bethel said that their main activity is (quoted from the agency's application): "Through the Disability Claim Service program, specialized intensive case-management will be provided to 12 disabled, low-income persons who are in the process of trying to obtain Social Security disability benefits and/or Supplemental Security Income Benefits."

Commissioner Bilsens asked why the most recent year in spending is so much higher than in previous years. Mr. Bethel said that the three years prior are the actual expenditures and the FY 2003/04 reflects what has been awarded by the Human Services Commission since they won't know until June 30 what the actual expenditures will be, thus the figures are currently higher.

Commissioner Bilsens asked if monies roll to the next year. Mr. Bethel said yes, any unspent funds are reprogrammed for the next year. He added that they have the ability to extend a contract with CDBG, but they usually commit to a one year contract and if unspent they reprogram to next funding allocation year.

Commissioner Bitenc asked why there was such a fluctuation in total dollars each year. Mr. Bethel stated that the reason for the fluctuation is the rental acquisition of a rehabilitation project. In 2002-2003 \$283,000 was awarded to a non-profit agency, but during that year the agency was unable to purchase the rental apartments and they rolled the monies over, as the contract was cancelled.

Commissioner Bitenc said then the actual figures for 2002 would be few thousand higher and 2003 would be lower. Mr. Bethel said yes, and those numbers can be skewed by the HOME funding as they have 5 years to expend their funds.

Molly Edwards, Housing Resources Liaison, asked if the contract was cancelled so the agency could acquire more units. Mr. Bethel said no, Community Services of Arizona's contractual obligation is to acquire and rehabilitate at least 16 units.

Commissioner Bitenc asked if the Housing Board meetings take place on Wednesday nights. Ms. Edwards said, no, they take place on the second Tuesday of every month.

Mr. Bethel asked for input from the Housing Board and Human Services Commission on whether a presenter should give background or what they will use the requested funds for.

Commissioner Bilsens said it would be helpful if the commission could ask presenters whom they serve - either a special niche or not. Also, ask if an agency received monies the previous year, have they spent the allocation or not and how did the monies contribute to their mission, i.e., what is their anticipated outcome. Mr. Bethel indicated that the evaluation sheets will emphasize those questions and that in the orientation, staff will make sure that agencies will be prepared to respond to those questions.

Vice-Chair Bachmann concurred with Commissioner Bilsens adding that he would like to see a definite goal from the agencies – if they did what they said they were going to do. He also said he likes to see numbers of how many people the agencies work with live in Scottsdale and follow up studies. He added that numbers are not always obtainable, like those from Teen Lifeline, but he would like to see as much data as possible. Mr. Bethel said he will emphasize agencies addressing what the measurable outcomes are – although they can't contract for outcomes, they can for output.

Housing Board Chair Barbara Williams asked if it were possible to determine if those receiving money for their social services are also receiving housing funds, and if they are – are staff making sure the outcomes are based on self-sufficiency for Scottsdale residents. Mr. Bethel asked if Chairwoman Williams was seeking a synergy by using CDBG fund with other funds. Chairwoman Williams gave the example that monies given to agencies in Mesa, but serving Scottsdale residents, may be receiving HOME funds from Mesa. She added that she would like to see a much broader picture of where the funds are coming from and how they are being used. Mr. Bethel stated a number of the agencies receiving CDBG Public Service funds are agencies that have acquired transitional housing units in Scottsdale. In addition, all activities for CDBG and HOME funds must document that the funds will be for Scottsdale residents. Scottsdale is confined to award a maximum of the city's proportional share (7% of Maricopa County) if the funds are awarded to a public facility not in the city's jurisdictional boundaries.

Ms. James remarked that Chairwoman Williams made an excellent point because the cities of Mesa, Tempe, Gilbert and Chandler, along with Scottsdale and the Mesa United Way and Valley of the Sun United Way have been conducting an East Valley Needs Assessment, which will conclude with a summit on November 14. One of the things that has transpired from the assessment is a spreadsheet that has each East Valley city on it and the agencies they fund – allowing a comparison of how agencies are being funded by each city.

Mr. Bethel added that currently in the applications, they do ask what types and amounts of other funding and from what other jurisdictions agencies receive monies. Chairwoman Williams asked what other programs are offered in these agencies, which tells about capacity of an agency. Mr. Bethel indicated that each agency is required to produce audited statements, which includes a detail of the agency's revenue sources.

Chairwoman Williams asked if there has been significant vacancies in tax credit units – especially Mesa, as there are no tax credit units in Scottsdale – and if we are funding an agency that has these tax credit units, is there any way we can know where these vacancies are and can we fund them. Mr. Bethel said that any funds awarded to any agency are to provide services to Scottsdale residents. The Scottsdale Housing Agency's Housing Choice Vouchers awarded to residents must be used in Scottsdale. SHA can refer individuals to tax credit units as an alternative to being put on the Section 8 Waitlist, as the wait is typically two years to receive a voucher.

Mr. Bethel added that there are 10% in vacancies in Scottsdale and they have no difficulty receiving clients. Further, if the tax credit is used, the resident doesn't need a Section 8 voucher. Ms. Williams asked if we can share in the tax credit and Ms. James said not right now, but if there is a model established with the East Valley Needs Assessment, a regional approach would be taken that could be expanded in housing and potentially marry the resources in other cities. For example, they may have a situation where Scottsdale funds go to building affordable projects in Chandler or Tempe or a larger development planned for Scottsdale.

Chairwoman Williams asked if this issue could be addressed on the applications. Mr. Bethel said that if the issue is out of our jurisdiction, which tax credit is, it is out of our limits and therefore, we couldn't address it.

Ms. James asked if there was anything the Housing Board or Human Services Commission would like to hear or is there something lacking in the proposals. Commissioner Resnick remarked that the application was extremely well done, leaving little to question, but that he was most interested in what percentage of the clients the agencies are serving are Scottsdale residents.

Commissioner Bitenc asked, while looking at the allocation of ratios of funds, it certainly seems that the ratio of money they spend on homeless is significant - 1/3 of all funds per category. Ms. James said that the 1/3 relates to the \$180,000 in General Funds that goes through the city's General Fund budget and is targeted for the homeless. Commissioner Bitenc asked if these funds were fixed. Ms. James said that the categories for the funds are brokerage agencies, domestic violence shelters, homeless shelters and senior services. Mr. Bethel added that 10 years ago when the shelters came to the City Council and said the city should contribute to the shelters – such as CASS – they have consistently received the same amount each year - \$47,000 - although they always ask for \$120,000. Ms. James added that the one year the

Human Services Commission decided not to fund CASS at the regular amount, CASS went to the City Council and the recommendation was overturned.

Housing Board Member Prinski asked if CASS asks for funds based on population by city and of the dollars going outside the city, are we getting the value of those dollars for the services. Mr. Bethel said that if we are doing a project for CASS and paying for a public facility, they could only contribute 7% to the project, which equates to the approximate population of Scottsdale. Ms. James added that for the general fund, CASS requests \$120,000 and we give them \$47,000. In the future, there will be more emphasis on regional participation in shelters from the cities that don't have them because although Phoenix is building the new Human Services campus downtown, which will have 401 beds, they are already full. Ms. James added that homelessness is a tough issue because it is hard to say where a homeless person comes from. One day a year, a survey is done of the homeless in each city, but that survey isn't necessarily representative of the homeless in the Valley. She added that in referring the homeless, many go to the East Valley Men's Shelter, because it is hard to get people to go to CASS, although it is the biggest shelter. She added that there are very few shelters for single women without children.

Chairwoman Williams added that in the winter time there is an overflow in the shelters in Phoenix and last year the major overflow shelters risked being closed because Phoenix is tired of footing the bill. In addition, CASS is downsizing beds and Phoenix is looking at 299 beds on the west side.

Commissioner Bilsens suggested that it would be helpful to know what agencies have self-sufficient programs – and see that documented record.

Commissioner Reid asked how many family service oriented shelters are there versus those for single women. Mr. Bethel, said that staff has that inventory and will get Commissioner Reid that report. Ms. James added that they fund La Mesita in Mesa and CASS, both of which have special sections for families. She said that St. Vincent de Paul has shelter for single men and women and there are domestic violence shelters for women and children. She added that the City of Scottsdale has funded transitional homes for Homeward Bound and Save the Family and used HOME funds to purchase transitional housing throughout the city.

Commissioner Reid asked if the homeless are there due to domestic violence or because people had lost their homes, etc. Ms. James said that woman and children under 13 are generally those in shelters. She added that shelters also house the mentally ill, because the state has a pitiful mental health system, with no treatment, or accessible medications, and fewer substance abuse beds.

Chairwoman Williams added that 80% of those discharged from prison have substance abuse problems and the State has quit funding half way houses

Commissioner Bachmann said he would like to see proposals from agencies where Train the Trainer is used, as is the case of Teen Lifeline, where staff charge the schools for teaching students how to mediate. Molly Edwards added that she oversees the city's volunteer mediation program – that currently has 75 volunteers – and these volunteers have a strong interest in getting involved in mediating in schools, so she will contact Teen Lifeline on how they have operated with the schools.

Commissioner Bitenc suggested telling agencies that there are certain needs within the community, and that the agency would then send an application, similar to a Request for Proposal indicating the tasks they want to accomplish and a scope of work. Mr. Bethel said that we could do that with the more flexible Scottsdale Cares funds, but CDBG and HOME has strict guidelines on how funding is advertised. Ms. James added that many foundations, such as Pulliam and the Piper trust are advertising in this manner, because they have determined what they want to see. Mr. Bethel added that an RFP approach is not applicable this year, as the public notice has already been placed in the newspaper, but they do go in line with the 5-year plan. Also, they will have the East Valley Needs Assessment, which will report the needs that are not being addressed.

Commissioner Bilsens asked about the total dollars for Scottsdale Cares, now that the match from the McCormick Foundation is gone, and as it looks like the amount will be drawn down each year, has there been any conversation about increasing those dollars. Ms. James said yes there has been a great deal of publicity sent out regarding Scottsdale Cares and staff is continually out in the city trying to get groups involved. Mr. Bethel added that compared to Tempe, who allocates approximately \$50,000, Scottsdale is allocating a substantial amount.

Commissioners Bilsens suggested that those agencies that depend on Human Services funding each year need to be forewarned over the next two years if the scope of how funding is allocated is changed. Mr. Bethel said that was a good point – although CDBG and HOME funds are targeted for specific funding programs, Scottsdale Cares is more flexible. Ms. James added that staff could inform agencies during the orientation process that Scottsdale, along with other East Valley cities have participated in the East Valley Needs Assessment and one of the results from that assessment may be special requests for funding.

Commissioner Bilsens also suggested that advertising for funding needs to be carefully crafted because of the perception of wealth in north Scottsdale – people need to know where funding is going and that it is going to people who need it.

COMMISSION AND BOARD DISCUSSION

The Human Services commission and Housing Board discussed common goals and strategies for the upcoming year.

Housing Board Chairwoman Williams gave an overview of the history of the housing board and what the goals are for the housing board, such as what is the inventory and status of current housing. She indicated that one of the major problems with affordable housing in Scottsdale is the political will to do so. Also, people are confusing affordable housing with housing project not housing that is affordable. She said they are not looking at classic affordable housing, but are also looking at all the units and what they can do to move seniors out of oversized housing into the same community but smaller – i.e., looking at clusters and seeing what neighborhoods need. She added that a lot of housing is nearing the 30-year mark, which indicates money is needed to maintain and/or refurbish. She said that they are looking at equal opportunity – they don't want to do a report, but an action plan. Currently, they don't have any specific program or project, but next year they will have very targeted things.

Commissioner Bilsens asked what is the gap of affordable housing in Scottsdale. Mr. Bethel said that the city is currently 12,000 units short of affordable housing. Commissioner Bilsens

asked if San Jose were \$800 to \$1,000 for an apartment what is Scottsdale? Mr. Bethel indicated that in Scottsdale, \$806 for a 2 bedroom is fair market. He added that they request an exception rent from HUD to subsidize their section 8 clients. Now, it's 113% of fair market rent because of included utilities, they maintain a higher market rent. He also said that the Fair Market Rate for Maricopa County designated by HUD is \$806 for a 2 bedroom, and there is a 10% vacancy rate right now. He said that rents should go down, but they had a 20% exception rate for years. Housing Board Chair Williams asked if they can track what we are doing in housing, because it should be tracked. She added that there should be a push to have a housing policy group that includes all of the cities. She also said that cities and ASU want to be very involved at a regional level.

Chairwoman Williams indicated that in California an organization called Silicon Manufacturing is still funding \$20 million a year into a trust fund for housing, i.e., private money - to assure that the company has housing for their employees. She said that we can keep looking at government, but we have to create programs where private money is incorporated.

Commissioner Bilsens asked if the companies that have large employee bases in Scottsdale are helping with housing. Chairwoman Williams said, no, but they are revisiting the results of the Future Search Conference held a few years ago. She added that the hospitality industry pays the lowest wages and it would be nice to get those companies together to work on affordable housing. She said a plan to engage them where they weren't alone, for instance if Scottsdale Healthcare, teachers and Motorola were involved. She said that they need to spend a lot of time being creative in getting private funding.

Commissioner Resnick asked what the Housing Board felt about what is going on downtown with the new development and new senior center. Chairwoman Williams said that they have been happy with the development. She then gave an example of senior housing in Prescott. The city did an inventory of seniors trying to maintain housing and having no place else to go. The city built a senior housing project, many of their seniors went there and it opened up the family housing, which allowed the city to start stabilizing. Commissioner Resnick asked if Chairwoman Williams thinks that would happen at the McDowell site. Chairwoman Williams said yes, here are 3,000 elderly and they have no place else to go. She said that the housing will provide only 220 units, but the national statistics indicated that retired people want to stay within a 3-mile radius of where they were. She added that Bank of America has agreed to do a lending program loan to seniors' children at a lower interest rate, which allows the home to remain in the family. She indicated that between the new senior housing, senior center and commercial building, 53 million dollars worth of capital that will be circulated, which is true community development. She also said that they are working with Bank of American to develop another program to refurbish the homes sold by seniors.

Chairwoman Williams discussed the consultant that the Community and Neighborhood Resources Department has hired to assist with program design. She said that they would like the Human Services Commission involved in the process of the design. Ms. Edwards said that they will be doing an across the city analysis and then look at program development with the consultant. She added that this design would create opportunities of what programs will work and what departments can do.

STAFF AND COMMISSION UPDATES

Ms. James thanked both the Housing Board and Human Services Commission for coming together for a joint meeting. She discussed the group tour that the Human Services Commission took of the Family Advocacy Center. Recently, Ms. James added that she and Commissioner Resnick toured the Scottsdale Foundation for the Handicapped; she, Vice-Chair Bachmann, Commissioner Bilsens and Councilwoman Lukas toured the Chrysalis Shelter and Ms. James and Vice-Chair Bachmann toured Teen Lifeline. She said that if any of the commission is interested in touring housing programs, or any other agencies, let her know and she will arrange it. Ms. James also added that commissioners' tours would be agendaized for future meetings so that they can report on the various agencies. Ms. James then discussed the next meeting, which will be on October 9 in the City Hall Kiva and will be the Human Services legislative meeting, with staff and legislative representative updating the commission on the legislative issues that effect human services.

OPEN CALL TO THE PUBLIC

Vice-Chair Bachmann made an open call to the public for comments/questions/announcements or other business. There were no replies.

ADJOURNMENT

With no further business to be brought before the commission, Vice-chair Bachmann asked for a motion to adjourn the meeting. Commissioner Resnick moved to adjourn the meeting and Commissioner Bilsens seconded. The motion carried unanimously and the meeting adjourned at 7:03 pm.

Respectfully submitted by Mary Beth Bossert, Recording Secretary.

Meets established criteria.

Connie James
Director, Human Services